Guide No. 31 - Compensatory Time / Work Week Adjustment

District employees can be compensated for hours worked in excess to their normal 40 hour work week or 80 hour flex-time work period. There are different rules for employees dependent on whether or not they are considered exempt or nonexempt employees. Conservation district directors should have a good understanding of how compensatory time, work week adjustment and overtime pay can be authorized, earned and used.

Are Your Employees Considered Exempt or Nonexempt Employees? 
The Fair Labor Standards Act (FLSA), a federal law that establishes such things as minimum wage and overtime pay, recognizes two basic categories of jobs: Non-exempt -those employees covered by this act. Exempt- those employees not covered by this act.

Directors need to understand which category their employees fit in to because there are different rules for each. Part-time employees are not eligible for compensatory time or workweek adjustment.

The Oklahoma Conservation Commission has classified the following district positions as follows:

Non-exempt:
- Secretary I & II
- Engineering Aide
- Equipment Manager
- Temporary/Seasonal

Exempt:
- District Administrative Officer
- District Manager
- Program’s Coordinator
- Water Quality Specialist
- Education Coordinator

If your district has a question about the proper category for your employee, contact the Oklahoma Conservation Commission District Services Division.

Regardless of an employee’s FLSA status all compensatory time and workweek adjustments must be pre-approved by the board. Accrual of comp time and/or adjusting the workweek should be the exception not the rule. An employee who chooses to come in early or stay late on any given day does not constitute a proper accrual of compensatory time.

Non-Exempt Employees
There are two ways non-exempt employees may be compensated for hours worked in excess of their established 40 hour work week or 80 hour flex time work period:

(1) Work week adjustment:
This is the method most often used to compensate employees for working more than 40 hours in a work week (or 80 hours for those with flex-time schedules) and the method recommended by the Oklahoma Conservation Commission.

Compensatory time at the rate of hour-for-hour must be given within the work week it was accrued. For example, an employee who normally works from 8 a.m. to 5 p.m., Monday through Friday, and has worked 40 hours by 1 p.m. Friday, may be given time off from 1 p.m. to 5 p.m. on that Friday. If an employee is scheduled to work on a Friday or Saturday, the work week can be adjusted so the employee can take off time during the first part of the week so they won’t exceed 40 hours.

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Compensatory Time in Lieu of Work Week Adjustment:

In this case compensatory time is earned at the rate of 1.5 hours for every hour over 40 or 80 hours worked. Any balance of any unused compensatory time not taken within 180 days must be paid to the employee at the regular pay rate for the period in which it was earned. Accrued compensatory time must be exhausted prior to taking annual leave.

Conservation districts are to restrict employees to a 40 hour work week (or 80 hours in a two-week work period for those with flex-time schedules) except in those cases where excessive hours of work are necessary due to additional activities or emergencies.

Compensatory Time Compensation for Exempt Employees

Exempt employees are not entitled to overtime pay or compensatory time. However, a district board may vote to allow compensatory time to exempt employees on an hour for hour basis, one hour off for each hour worked over their scheduled 40-hour week.

The maximum compensatory time which may be accrued is 240 hours. The hours must be taken within 180 days. The time period may be extended to an additional 180 days upon approval by the district board.

Requests for compensatory time must be made and approved in advance.

Compensatory time must be exhausted prior to any annual leave being taken.

If exempt employees attend out of town meetings requiring overnight stay, only the time actually spent in the meeting would be considered over time.

District Policy on Compensatory and Overtime

It is important for a district board to:

1. Establish a district policy on work week adjustments and how compensatory and overtime will be approved.

2. Ensure district employees have a copy of that policy (a signed copy of the policy signifying receipt should be placed in the employee’s personnel file).

3. Require in the policy that employees make a request in advance for work week adjustment, compensatory or overtime hours.

4. Monitor the hours approved, used, and currently available to employees.

Districts need to remember that if an employee resigns their position or is terminated, the district will be required to pay that employee for all compensatory hours with local funds.

If districts have questions about compensatory or overtime rules for employees or would like help with a district policy on the issue they can contact the Oklahoma Conservation Commission, District Services Division.

Overtime Pay

If a district board authorizes overtime pay for employees, the overtime payment must be paid from local earned funds. Requests for overtime must also be requested and approved in advance by the district board.

No state funds will be used for payment of overtime. Also, retirement contributions are not paid on overtime hours.